CITY OF SAN JOSÉ, CALIFORNIA Department of Planning, Building and Code Enforcement 801 North First Street, Room 400 San José, California 95110-1795

# **STAFF REPORT**

Hearing Date/Agenda Number P.C. 02/23/05 Item: C.C. 03/15/05 Item:

File Number

PDC04-045

Application Type

Planned Development Rezoning

Council District

7

Planning Area Central

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				Assessor's Parcel Number(s) 472-11-063, 065
PROJECT DESCRIPTION				Completed by: David Tymn
Location: North side of Story Road approximately	720 feet soutl	hwesterly	y of	McLaughlin Avenue (915 Story Road).
Gross Acreage: 19.59	Net Acreage:	19.59		Net Density: N/A
Existing Zoning: IP-Industrial Park	Existing Use:	Vacant i	indu	strial building
Proposed Zoning: A(PD) Planned Development	Proposed Use	: Up to 3	05,0	000 square feet of retail uses
GENERAL PLAN				Completed by: DT
Land Use/Transportation Diagram Designation General Commercial				Project Conformance:  [x] Yes [ ] No  [ ] See Analysis and Recommendations
SURROUNDING LAND USES AND ZONING				Completed by: DT
North: Retail Commercial		CN	I-Co	ommercial Neighborhood
East: Retail Commercial				ommercial Pedestrian and, CN- Commercial porhood
South: Retail Commercial		A(I	PD)	- Planned Development
West: Industrial Park Uses		IP-l	Indı	ustrial Park
ENVIRONMENTAL STATUS				Completed by: DT
[□] Environmental Impact Report [□] Negative Declaration circulated on [□] Negative Declaration adopted on November 29, 2004				[□] Exempt [□] Environmental Review Incomplete
FILE HISTORY				Completed by: DT
Annexation Title: McLaughlin No. 14				Date: 11-4-74
PLANNING DEPARTMENT RECOMMENDATIONS AND ACT	ION			
[☑] Approval [☑] Approval with Conditions [☑] Denial [☑] Uphold Director's Decision	Date:			Approved by: [□] Action [☑] Recommendation

APPLICANT/DEVELOPER	OWNER
Mr. Jerry Strangis, Strangis Properties	Story Road Investors, LLC
1314 Lincoln Avenue, Suite A	10123 North Wolf Road, Suite 2030
San Jose, CA 95125	Cupertino, CA 95014
•	A

UBLIC AGENCY COMMENTS RECEIVED	Completed by: DT
Department of Public Works	
Please see attached memorandum.	
Other Departments and Agencies	
Please see attached memorandum from the Fire Depa Transportation Agency, Police Department, and the U	
GENERAL CORRESPONDENCE	
None Received.	

## **BACKGROUND**

**ANALYSIS AND RECOMMENDATIONS** 

On May 5, 2004, the applicant, Strangis Properties, filed a Planned Development Rezoning application for the subject 19.59-acre site. This rezoning application is being considered following the approval of a General Plan Amendment request (GP03-07-10) for this site, approved on December 7, 2004, which changed the Land Use/Transportation Diagram designation from Industrial Park to General Commercial. The subject site is located in the Olinder Redevelopment Project area, and is just northwest and across the street from the Story Road boundary of the Tully/Senter SNI area.

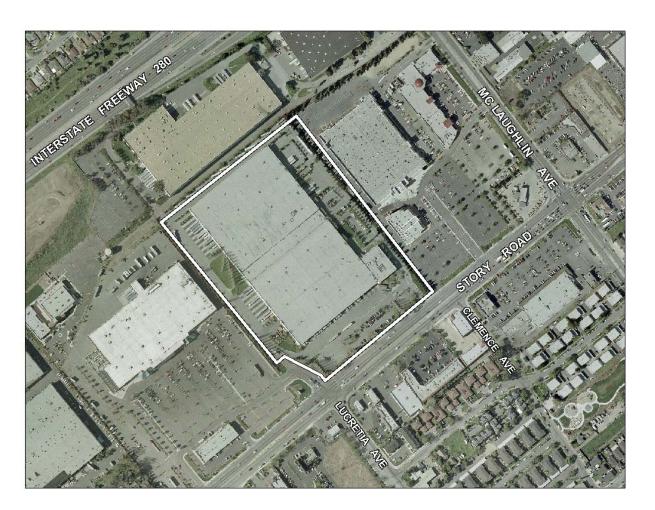
The proposed project site consists of two existing parcels. The total project area is fully developed with a large, approximately 390,000 square foot structure, parking and landscaping including many large trees. The existing facility was formerly used as a warehouse for Hewlett Packard and has been vacant for several years.

The site is located in an area of Story Road that consists primarily of commercial retail uses, with a mix of industrial park and light industrial uses. This site is surrounded on three sides by commercial uses and, on the fourth side by research and development/office/warehouse uses to the northwest, which consist of concrete tilt up buildings that are accessed from McLaughlin Road near Interstate 280. The site currently shares access with the adjacent Walmart store via a common driveway aligned with Lucretia Avenue.

The site is adjacent to existing retail commercial to the east, west and south across Story Road. These businesses are comprised of a variety of neighborhood-serving commercial uses, which include big box retail, grocery, restaurant, and a variety of personal services.

## **Project Description**

The applicant is requesting a Planned Development Rezoning for a 19.59 acre site located on the north side of Story Road (915 Story Road), approximately 720 feet southwesterly of McLaughlin Avenue to allow up to 305,000 square feet of new commercial development. The conceptual design for the commercial shopping center includes nine, 1 & 2 story buildings distributed throughout the site and a four level parking garage located at the rear of the site. Surface parking areas are distributed throughout the project on almost every side of the proposed retail buildings. The project proposes vehicular and pedestrian access from Story Road at two locations and shared pedestrian and vehicular cross access between the two adjacent commercial properties to the west and east. The applicant has indicated that this project will serve as an expansion to the existing commercial development located next door at the corner of corner of Story Road and McLaughlin Avenue.



#### **GENERAL PLAN CONFORMANCE**

The subject property currently has a designation of General Commercial on the General Plan Land Use/Transportation Diagram. As previously indicated, the site was the subject of a recent General Plan Amendment (file no. GP03-07-10) which changed the designation from Industrial Park to General Commercial. The proposed commercial shopping center project conforms with this General Plan/Land Use Transportation Diagram designation.

#### **ENVIRONMENTAL REVIEW**

The proposed project was analyzed in an Initial Study that resulted in the adoption of a Mitigated Negative Declaration adopted on November 29, 2004. The Initial Study, which analyzed both the General Plan amendment and the proposed project, determined that the proposed project would create less than significant impacts in the following environmental categories with the inclusion of mitigation:

- Air quality
- Cumulative Impacts
- Biological Resources
- Cultural Resources
- Geology and Soils
- Hazardous Materials
- Hydrology and Water Quality
- Noise
- Traffic

Of the above-mentioned issues, traffic is the key issue. There are two traffic level-of-service (LOS) impacts and mitigation is included for the intersections of Story Road and McLaughlin Avenue, and Story Road and Lucretia Avenue.

The LOS impact at the intersection of Story Road and McLaughlin Avenue will be mitigated with the addition of a separate eastbound right-turn lane on Story Road. This improvement will require the acquisition of right-of-way along the south side of Story Road, as well as the relocation of utilities and signal poles. This mitigation measure would improve the intersection level of service from LOS "E" to LOS "D".

The level of service impact at the intersection of Lucretia Avenue and Story Road will be mitigated by changing the lane configuration of the north approach from separate left, through and right-turn lanes, to a double left-turn lane and a shared through/right-turn lane. This will require changing the signal control on the north and south legs of the intersection from permitted to protected left turns. The protected left turns (8-phase signal) would provide the highest level of pedestrian safety. This mitigation would improve the intersection level of service from LOS "E" to LOS "D".

#### **ANALYSIS**

The primary issues associated with the proposed rezoning include: 1) site design, and 2) conformance with the Commercial Design Guidelines.

## Site Design

#### Site Access

The site currently has one point of access from the intersection of Story Road at Lucretia Avenue. In the current configuration, both the subject site and the adjacent Wal-Mart retail commercial site to the west, share vehicular access by means of a cross access easement. Given the increased intensity of the proposed uses on the subject site, the applicant and City staff have agreed that the access at Story Road across from Lucretia Avenue, the cross access between the two sites, and the cross access agreements will need to be modified from the existing design between the subject site and the Wal-Mart site. Rather than retain the existing single point of cross access near the Story Road at Lucretia Avenue entrance, a new cross access point will be added and will be shifted toward the interior of the site to avoid circulation conflicts between the two uses so close to the intersection of Story Road and Lucretia Avenue. A new driveway connecting to Story Road will also be added approximately 500 feet to the east of Lucretia Avenue. This driveway will facilitate limited right in/right out access to and from the site

It should be noted that the plans included in this packet do not necessarily reflect the final site design configuration for the project. This is due in part for the need to conclude coordination and gain an agreement with Walmart for issues related to cross access. Walmart has not yet provided acceptance of the cross access layout as proposed. Staff and the applicant are in agreement about the need for resolution prior to the approval of a subsequent Planned Development Permit. Further, Staff is confident that there are numerous potential design alternatives which should be mutually acceptable to Walmart, the City and the applicant which will not be precluded as part of this approval. The General Development Plan includes conditions and requirements for this aspect of the project and will be finalized at the Planned Development permit stage.

Also proposed, is cross access between the proposed project and the existing commercial center adjacent to the east at the westerly corner of Story Road and McLaughlin Avenue. The project developer owns both of these sites and the design of the project incorporates cross access to enable the two commercial sites to function together.

#### Interface with Surrounding Uses

The General Development Plan notes prepared by staff (see attachment) establishes perimeter setbacks, minimum landscape widths, internal building separations, and perimeter landscaping that, in some cases, are larger than is graphically shown on the current conceptual site plan. Staff is recommending that the size of the side and rear perimeter landscape areas be increased to 15 feet in width. An increase in the width of these areas will better facilitate the preservation of many of the existing mature trees that are worthy of preservation. Prior to approval of a Planned Development Permit, the project design would need to be modified to be consistent with the General Development Plan notes as recommended.

The parking and building setbacks as proposed along Story Road, 35 and 55 feet respectively are deemed to be adequate given the size of the project and site.

### Internal Circulation and Parking

As stated above, the main access to the site will be via the signalized intersection of Story and Lucretia. The conceptual on-site circulation includes the continuation of a street-like element, albeit privately owned and maintained, that will exhibit the characteristics that are typical of public streets with the inclusion of curbside parallel parking, sidewalks and street trees. This street element will take a 90 degree turn near the middle of the site and provide the connection points to the two adjacent properties on either side of the site. Each of the proposed retail buildings will, in turn, take primary access from a "lower order" driveway that includes perpendicular parking in front of most of the individual store entrances. This site plan design will generally allow access to the buildings from all sides.

Staff will be working with the applicant at the Planned Development permit stage to incorporate an internalized delivery/loading court and trash area within a recessed notch (approximately 30 x 50 feet) in each building. This is <u>not</u> currently depicted on the conceptual plans. An internal corridor configuration will provide access for each of the businesses to the common loading area. This corridor would not be accessible to the general public. This design will help minimize potential issues of double-parked delivery trucks and outdoor storage in visible public parking areas.

On-site parking is proposed in the form of approximately 1,025 surface parking spaces and a four level garage structure that is anticipated to provide an additional 675 parking spaces for a total of approximately 1,700 spaces. The proposed amount of parking substantially exceeds the standard retail Zoning Code parking requirements. Further, this will ensure adequate parking for several potential restaurant uses which typically require much more parking than a retail use of equivalent floor area.

## **Conformance with the Commercial Design Guidelines**

The proposed commercial Planned Development Rezoning with the inclusion of project conditions identified on the General Development Plan notes prepared by staff will ensure conformance to the Commercial Design Guidelines. The streetscape along Story Road as well as the primary internal private street will have a good building presence to the street as recommended by the guidelines. Adequate parking and landscape areas will be provided.

The parking areas are well distributed within the project and divided into smaller, less obtrusive areas as opposed to the creation of a large, dominant parking fields. Unlike typical retail projects, the proposed retail buildings will have attractive, well-articulated facades with windows on all sides. Loading and trash areas will be conveniently placed and screened from public areas. The architecture will be further refined at the Planned Development Permit stage.

#### Conclusion

The proposed commercial development is compatible with the existing commercial retail development in the surrounding area and is also generally compatible with nearby existing industrial land uses. Although the site design will generally need a greater level of refinement than is typical after the PD Zoning approval, staff is confident, based on cooperative discussions with the applicant that the City's overall design objectives as stated in this report can be easily and reasonably attained.

#### PUBLIC OUTREACH

The property owners and occupants within a 1,000-foot radius were sent a newsletter regarding two General Plan community meetings that were held on October 6 and 7, 2004. Specifics about the actual development proposal were also shared. There were no comments from the public. The public also received a notice of the General Plan public hearings that were held before the Planning Commission on November 29, 2004 and City Council on December 7, 2004. There were no comments from the public. In addition, this item was presented to the Tully/Senter Strong Neighborhood Coalition meeting (SNC) on November 4, 2004. Again, there were no comments from the public regarding the proposed commercial development on the site.

Given the fact that this rezoning was filed prior to the requirements of the City's current Public Outreach Policy and that there have been numerous public meetings with no public comments received and, although the applicant offered to conduct an additional community meeting for the Planned Development zoning, staff is confident the intent of the outreach policy has been met through previous meetings. Thus far, the community seems to be accepting of commercial development at this location.

The property owners and occupants within a 1,000-foot radius were sent public hearing notices for the Planned Development rezoning public hearings to be were held before the Planning Commission on February 23, 2005 and City Council on March 15, 2005. The Department web site contains information regarding the planned Development rezoning process, staff reports, and hearing schedules. This web site is available to any member of the public and contains the most current information regarding the status of pending projects.

#### RECOMMENDATION

Planning staff recommends approval of the proposed Planned Development rezoning for the following reasons:

- 1. The proposed project conforms to the site's General Plan Land Use Transportation Diagram designation of General Commercial.
- 2. The proposed project, as conditioned, conforms to the City's Commercial Design Guidelines.
- 3. The proposed project will be compatible with surrounding commercial and industrial uses.